GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1817
ANSWERED ON:01.08.2003
FUNCTIONING OF MULTI-NATIONAL CHARTERED ACCOUNTANT COMPANIES
DR. KIRIT SOMAIYA

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received representations from several chartered accountants, experts regarding the functioning of multi-national chartered accountant companies;

(b) whether a level playing field has been demanded by the Indian accounting firms; and

(c) if so, the present status and guidelines in this regard?

Answer

MINISTER OF FINANCE (SHRI JASWANT SINGH)

(a) & (b) Yes, Sir.

(c) Under the provisions of Companies Act, 1956, only members of the Institute of Chartered Accountants of India (ICAI) can conduct audit of companies, and all members of this Institute are subject to the discipline of the Chartered Accountants Act, 1949. If any audit is carried out in violation of provisions contained in these Act, penal action can be taken.